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Good Afternoon:

It is a privilege and honor to appear before this committee. I have been an International Representative for PACE International Union for the past fifteen years. My duties cover large areas of Mississippi and Louisiana. Prior to that time I worked in a paper mill and made a very good living for over twenty years.

The past four years this country has lost many thousands of high paying manufacturing jobs. Our Union alone has lost over twenty thousand jobs through partial plant closures or through total plant closures. Paper Workers are the second highest paid jobs behind the auto industry in this country. The loss of these high paying jobs has had an incalculable affect on the communities and counties and states.

Many companies look at the bottom line in making decisions on whether to close a plant or sell plant. They do not look at the effect on the employees, their families or the communities in which the plants are located.

I have personally been involved with several partial closures since 1998 and a number of total closures. I am more in tune with what goes on in the forest products and paper industry. Many companies have purchased other companies and then picked the best and most modern facilities of the two and closed the unwanted facilities.

One company in particular, International Paper Company, has purchased other companies such as Champion International, Union Camp, Federal Paper Board and then picked the best and most modern mills and closed less profitable older mills. Some of these were making money though not as much as the company wanted. Mobile, Alabama, Moss Point, Mississippi and lastly Natchez, Mississippi to name just a few.

Moss Point was a profitable mill and had top quality production but it was closed and the company refused to talk with anyone about buying the mill

and keeping it open, the same with Mobile and several others. The reason being they did not want competition from the mills.

Natchez, Mississippi however is unique in that it was the only International Paper Company facility, which made chemical cellulose therefore the company was agreeable to discuss selling the mill. This mill is in a small southwest Mississippi city and is the largest employer in the city and this area of the state. It also has a large impact on the southeastern part of Louisiana. In its heyday this mill employed upwards of one thousand people. It has reduced staff over the past few years and had a big layoff in 2000. It first was reduced to seven hundred and now the plant will end production forever during the week of July 15th 2003.

When the announcement of the decision to close this plant was made by International Paper Company, there was a meeting of many elected officials including United States Representative Charles Pickering. The community saw the urgent need to save these good paying manufacturing jobs. To say the least there was concern and panic among employees and members of the community.

PACE International Union stepped forward due to the success of its ESOP effort with Champion International in Canton, North Carolina and pushed forward this concept. Starting from scratch the local employees and myself saw a need for large amounts of money to conduct feasibility studies and environmental audits and many other required things to make this happen.

We have received very little help from government due to red tape and banks do not take employees seriously in the early stages of an ESOP effort. We have had to beg money from every source. The employees have contributed several thousand dollars; the International Union donated a matching amount of what employees could come up with. But it is still a long way from what is needed. Even though in Natchez we have had a unique but rare instance due to the fact the Natchez Chamber of Commerce President committed thirty thousand dollars to our cause it still is short to get all done that is needed to do.

In closing this legislation would be a great help to employees who have dedicated a lifetime to an employer who does not want to continue an operation but who would be willing to sell the plant to the employees. The employees would have an option to save good paying jobs in their own

communities so that they could continue to live where they want to, raise their children in these communities and also help save the tax bases of the cities, counties, and states of this great country.